



Metropolitan Waterfront Alliance

MWA Research and Policy Directions

Preserving and Protecting New York City's Working Waterfront

Our Critical Yet Less Visible Economic Engine

April 2013



The Metropolitan Waterfront Alliance works to transform the New York and New Jersey Harbor and Waterways to make them cleaner and more accessible, a vibrant place to play, learn and work with great parks, great jobs and great transportation for all. For more information, please visit www.waterfrontalliance.org.

Board Members

Chair, Chris Ward, Dragados USA

Vice Chair, Kent L. Barwick, Municipal Art Society of New York

Vice Chair, Colonel (Ret.) John R. Boulé, II, P.E. Parsons Brinckerhoff

Treasurer, Jennifer Costley, Credit Suisse Group

Assistant Treasurer, Paige C. Sutherland, Consultant

Secretary, Kathy Robb, Hunton & Williams

John Atkins, Global Conxtainer Terminals

Margaret C. Ayers, Robert Sterling Clark Foundation

Paul Balser, Ironwood Partners, LLC

Laurie Beckelman, Beckelman & Capalino, LLC

Capt. Andrew McGovern, New Jersey Sandy Hook Pilots Association

Rich Miller, Con Edison

Michael O'Keeffe, Restaurateur

Peggy Shepard, West Harlem Environmental Action

John H. Watts, Sequel Energy, Inc.

Steve Wilson, Iconaclad

President, Roland Lewis, MWA President & CEO

Metropolitan Waterfront Alliance

241 Water Street, 3rd Floor

New York, NY 10038

212-935-9831 Office

www.waterfrontalliance.org



Preserving and Protecting New York City's Working Waterfront

Introduction

The car you drive, the cell phone you communicate with, the oil that heats your home, and the clothes you wear all have something in common: they were delivered to the metropolitan area by ship. Our flourishing port and the maritime industry that supports it generate hundreds of thousands of jobs, from stevedores to dockmasters, tugboat captains to boatyard welders, fishermen to sailing instructors, and many more.

The New York–New Jersey Harbor is an economic engine and the center of a logistics cluster that includes rail, highway, and air connections to the rest of the nation and the world. The welcoming waters and shoreline that greeted Henry Hudson have fostered the commerce that built our city over the centuries. Today's working waterfront continues to be a vital part of the regional economy and must be protected and New York City's waterfront has long been a mainstay of its economy.

Today, while the volume of shipping has gone down as ocean-going cargo ships increase in size, the total amount of cargo handled in the Port of New York & New Jersey has grown 175 percent since 1991. The secret to the port's success is the huge local market which makes New York a destination for the world's ocean shipping carriers.

Jobs associated with the working waterfront also continue to increase. Much of the shipping activities is clustered around Newark Bay in New Jersey. But New York City also remains a vibrant home to the maritime support industry: more than 90 percent of support vessels, including tug boats and barges as well as ship repair facilities are located either on the Kill Van Kull shoreline of Staten Island or the Brooklyn waterfront. Overall, the port contributes to NYC's economy more than 31,000 jobs, nearly \$2.1 billion in personal income, nearly \$6.8 billion in business activity and nearly \$1.3 billion in tax revenues.¹

The Metropolitan Waterfront Alliance calls on New York City to promote key programs, facilities and industries to preserve, protect, and grow the working waterfront of New York City. By doing so the city will ensure the viability of its working waterfront and in doing so will preserve deep-water maritime areas on the city's waterfront that have infrastructure that cannot be recreated.

Strengthen and Expand Maritime Support Services

New York's economy is strengthened by over 30,000 jobs related to waterborne commerce. These range from dockworkers to freight brokers to admiralty lawyers. These jobs generate over \$1B in income and \$2B in economic activity.



1. New York Shipping Association, September 2009.

A strong maritime industry means fewer trucks — 3.1 million truck trips are eliminated every year because of the tug and barge fleet. Shipping by water is 10 times more efficient than by truck.

New York City is the North Atlantic hub for workboats — there are more tugs and barges based in New York City than any other port on the eastern seaboard. In 2007, the New York City Economic Development Corporation completed a Maritime Support Service study in partnership with the SUNY Maritime College that identified the challenges faced by the City's tugboat, barge, and shipyard companies. New York City must continue its commitment to assisting these businesses to thrive.

Key Recommendations

- Preserve and expand where possible Significant Maritime and Industrial Areas under the City's Comprehensive Waterfront Plan.
- Increase sales tax waivers, low cost financing, and other benefits to working waterfront businesses seeking to expand.
- Use Brownfield Opportunity Area programs to improve infrastructure at existing maritime facilities in key areas such as the North Shore of Staten Island, Gowanus Canal and Newtown Creek
- Promote new career and technical high school programs at McKee, Harbor School, and the new School for Global Commerce to train the next generation of supply chain managers and maritime workers

One-Stop-Shop for Permitting Assistance

More than 14 agencies have a regulatory role in the protection of the NY/NJ Harbor Estuary. Regulatory programs are administered to ensure impacts on the environment are avoided, minimized, or mitigated, while allowing reasonable and necessary development to go forward. While balancing economic, social, and ecological values is necessary, our ability to design a lively, accessible and ecologically sound shoreline that incorporates an active working waterfront has outpaced the evolution of the waterfront permitting system.



The perception of many applicants and maritime stakeholders is that the New York waterfront permitting system is complicated and unpredictable. The permitting process is so involved that even the most sophisticated landowners and waterfront developers are confounded by the process.

Key Recommendations

- Continue New York City's commitment to spearheading a One-Stop-Shop for permitting assistance by providing sufficient staff and consulting resources for the interagency partnerships needed to establish a One-Stop-Shop.

- Provide leadership at the top levels of the City's administration to develop partnerships with state and federal agencies to solidify their commitment to development of a One-Stop-Shop for permitting assistance.

Wetlands Banking

To preserve New York City's wetlands areas while providing better flexibility for the use of active industrial sites along the waterfront, New York City should commit to working with state and federal partners to establish pilot studies and funding for wetlands banking. Wetlands banking is a system of exchanging credits for wetlands functions from waterfront areas to important wetlands areas in need of restoration. When established with sufficient environmental controls and long term maintenance wetlands banking can play an important role in ensuring that New York City's maritime industry continues to grow and have flexibility to restore underutilized areas of their property.



Key Recommendations

- Contribute greater resources to staffing and research needed to establish wetlands banking pilot studies in the City.
- Establish a permanent staff position within a New York City agency to carry out a wetlands banking program. The program will be developed from the pilot stage to a permanent, full scale wetlands banking program for the restoration and enhancement of some of New York City's critical wetlands areas such as Jamaica Bay and parts of Staten Island.

Continue Essential Revitalization of New York Container Terminal

The City has partnered with New York Container Terminal, the Port Authority, and Army Corps of Engineers to modernize the City's largest international marine cargo gateway and prepare it for handling a new generation of Post-Panamax container ships. The City played a pivotal role in the funding and support for investments exceeding \$400M to activate rail service, lengthen the terminal wharf, deepen the shipping channel and ship berths, and expand the terminal footprint. The terminal now handles over 300 ship calls, carrying more than 250,000 containers. New York Container Terminal currently employs over 500 workers making it the largest industrial employer on Staten Island providing good middle class jobs.

Key Recommendations

- Work with the Port Authority to reform toll policies that put NYC-based maritime operators such as New York Container Terminal at a severe disadvantage. Maintain an even playing field among the region's major container ports.

- Deepen berths 3 to 50 feet to benefit from Army Corps/Port Authority deepening of Arthur Kill Channel
- Construct new bulkheads and dredge Berth 2 to accommodate Post Panamax vessels

Complete Reactivation of South Brooklyn Marine Terminal

Built in the 1960s, South Brooklyn Marine Terminal was used as a container terminal until it was closed operationally in the 1980s. For the past 20 years, the site has been used as a tow-pound facility by the New York Police Department. The good news is now the entire 88-acre facility is being developed for a general cargo facility for all types of marine cargo, including automobiles, construction materials, and recycling.

On the south end of the terminal the general cargo facility has been reactivated and new rail infrastructure added in order to connect the terminal to the Southern Gateway, one of New York City's principle connections to the national rail network.



On the north side of the terminal Sims Metal Management will begin processing all of the City's plastic, metal, and glass collected by the Department of Sanitation. With a \$48-million investment from the City and a \$46-million investment from Sims, the new facility will create approximately 100 permanent jobs.

Key Recommendations

- Actively and aggressively market Brooklyn maritime facilities to the East of Hudson shipping community.
- Ensure sustained commitment to this facility as it is a factor in reducing transport via inefficient trucks.
- Complete the terminal by restoring the 39th Street bulkhead and studying feasibility of further expansion of maritime service at the 33rd Street Pier and at Pier 6, at nearby Bush Terminal

Improve and Expand Brooklyn Waterfront Rail System

Brooklyn's industrial waterfront in Sunset Park is served by New York & Atlantic Railway and New York New Jersey Railroad. Following decades of neglect, the City restored and continues to expand rail service to the South Brooklyn Marine Terminal. This provides Brooklyn with its first rail-to-ship transfer facility, thereby not relying on trucking.

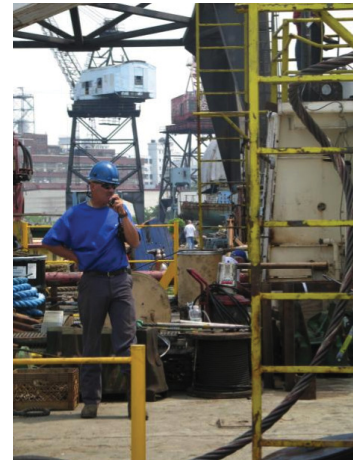


Key Recommendations

- Continue New York City's commitment to its waterfront rail system by investments in other rail improvements including linkage to Long Island Railroad to bring goods closer to customers.

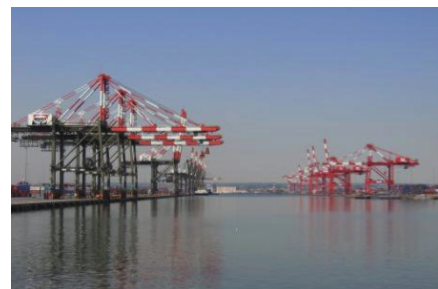
Dredged Materials Management

To maintain shipping channels and berths in a dynamic estuary, the City and its maritime partners must constantly perform maintenance dredging. Each year, over 200,000 cubic yards of dredged material must be excavated and placed either on land or in ocean placement sites. In 2004, to address a lack of upland placement sites for beneficial reuse of dredged materials, New York City launched a pilot project to use dredged sediment to close the Pennsylvania and Fountain Avenue Landfills in Brooklyn. Over 200,000 cubic yards of material were successfully placed at the sites. The success of the pilot project led to large-scale application of dredged materials at Fresh Kills Landfill in Staten Island where one million cubic yards of processed dredged material were successfully placed as part of the closure of that landfill. However over the long term there will be fewer and fewer places where dredge material can be placed as fewer and fewer sites become available as potential options for disposal.



Key Recommendations

- Work with New York State Department of Environmental Conservation, Port Authority of New York and New Jersey and the US Army Corps of Engineers to identify better solutions for dredged material in City. Some options include the use of dredge material in construction, as caps for brownfields, and for wetlands restoration.
- New York City should work for federal legislation that provides the Port with its fair share of Harbor Maintenance Trust funds to ensure that all of the port channels, including key New York City channels such as Bay Ridge Channel, Bronx tributaries, and industrial waterfronts in Queens and Brooklyn are fully maintained to maximize their economic potential.



Conclusion

Shipping, marine transportation and maritime businesses make the economic engine of the city and the region hum smoothly and provide hundreds of thousands of jobs. The MWA calls upon the next administration of New York City to protect, support and expand the working waterfront of New York Harbor. Container terminals must be revitalized and activated to their fullest potential and maritime support services must be reinforced. Dredge management and wetlands banking must be explored. And finally, MWA strongly recommends a one-stop-shop for waterfront permitting.